

Hardin County Water District No. 1

Serving Radcliff and Hardin County for Over 50 Years

1400 Rogersville Road
Radcliff, KY. 40160

May 20, 2008

Ms. Stephanie Stumbo
Executive Director - Kentucky Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40620-0615

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MAY 22 2008
PUBLIC SERVICE
COMMISSION

**SUBJECT: Notice of Asset Transfer
Case No. 2008-00074**

Dear Director Stumbo,

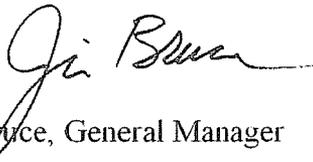
In our order for the above case, the District was to provide written notice when all assets were transferred from the City to the District.

To date, the District has now received and taken control of all inventory, equipment, sanitary sewer facilities and structures, vehicles and the City has also transferred \$3,500,000 in reserve funds. The City has retained \$218,000 of their sewer reserves, for final payables and outstanding obligations. At the end of their fiscal year (June, 2008), they will then transfer any remaining reserve funds to the District.

The City Attorney is still preparing all real property to transfer to the District. This includes all building properties, and all utility easements. They believe there are almost 800 parcel documents which a deed transfer needs to be prepared, and recorded with the County Clerk. As expected, this process may take several more weeks, but is in process.

Please let us know if you need more information.

Sincerely,



Jim Bruce, General Manager